



USDA Foreign Agricultural Service

# GAIN Report

Global Agriculture Information Network

Template Version 2.09

Required Report - public distribution

Date: 12/21/2006

GAIN Report Number: SF6050

## South Africa, Republic of

### Fresh Deciduous Fruit

### Annual

### 2006

**Approved by:**

Scott Reynolds  
U.S. Embassy

**Prepared by:**

Patricia Mabiletsa

---

**Report Highlights:**

South Africa's CY2007 deciduous fruit production is expected to reach 1.41 million MT, a 5% increase because of the improvement in climatic conditions and the natural lifecycle of the trees. Total exports for 2006/7 are expected to increase by about 5% because of increased production for export. Fresh pear and apple exports may increase by about 6% and 12% respectively, while table grapes may decrease by 4%.

---

Includes PSD Changes: Yes  
Includes Trade Matrix: Yes  
Annual Report  
Pretoria [SF1]  
[SF]

**Table of Contents**

<b>Executive Summary .....</b>	<b>3</b>
<b>Average Exchange Rates.....</b>	<b>3</b>
<b>Production .....</b>	<b>3</b>
<b>Background .....</b>	<b>3</b>
Industry Structure .....	4
Production Subcategory .....	5
<b>CY 2007 .....</b>	<b>5</b>
<b>CY 2006 .....</b>	<b>6</b>
<b>Consumption.....</b>	<b>8</b>
Consumption Subcategory.....	9
<b>Trade.....</b>	<b>9</b>
Trade Subcategory.....	9
<b>EXPORTS-APPLES.....</b>	<b>9</b>
<b>IMPORTS-APPLES.....</b>	<b>10</b>
<b>Exports of Fresh Pears .....</b>	<b>10</b>
<b>IMPORTS-FRESH PEARS.....</b>	<b>11</b>
<b>EXPORTS - TABLE GRAPES .....</b>	<b>11</b>
<b>Policy .....</b>	<b>13</b>
Policy Subcategory .....	13
<b>Marketing .....</b>	<b>13</b>
Marketing Subcategory .....	13
<b>TARIFFS .....</b>	<b>14</b>

## Executive Summary

South Africa's CY2007 deciduous fruit production is expected to reach 1.41 million MT, a 5% increase because of the improvement in climatic conditions and the natural lifecycle of the trees.

Total exports for 2006/7 are expected to increase by about 5% because of increased production for export. Fresh pear and apple exports may increase by about 6% and 12% respectively, while table grapes may decrease by 4%.

## Average Exchange Rates

In 2004, 1 US \$ = R6.42

In 2005, 1 US \$ = R6.30

In 2006, 1 US \$ = R7.00

## Production

Climate and Agriculture outlook

2005/6 experienced above average rainfall in winter to spring, mainly concentrated over the southern and South Eastern parts. The amount of sub-soil water is above normal and good for crop production, following a very good rainfall season, and is expected to return the crop of 2006/7 back to normal.

In 2005/6, total table grapes production increased significantly, although the prices were poor. Apples and Pear volumes decreased, while the prices improved slightly from last year. The Rand weakened during the 2005/6 marketing season (October 2005 and ended in September 2006), and only producers having cold storage facilities for apples and pears maintained their profits.

## Background

The deciduous fruit production in South Africa is concentrated mainly around the Western Cape because of its Mediterranean climate. Production is also scattered throughout the country, in the Northern Cape, Eastern Cape, Northern Province, Free State and Mpumalanga regions.

Deciduous fruit is produced on a year-round basis in South Africa, with the main fruit varieties grown as follows:

Apples: Braeburn, Fuji, Gala, Goldens, Pink Lady, Royal Gala, Starking, and Top Red.

The apple varieties that were largely produced in South Africa in 2005 were the Granny Smith (26%), Golden Delicious (22%), Royal Gala (12%), Pink Lady (7%), and the Starking (6%). New planting areas are dominated by the Royal Gala (15%) and Fuji (14%) varieties.

Pears: Barlett, Bon Rouge, Flamingo, Forelle, Packhams, and Bon Chretien.

In 2005, the most planted pear cultivars were the Packham's Triumph (28%), Williams Bon Chretien (22%), and Forelle (21%).

Table grapes: Alphonse Lavalle, Barllinka, Bonheur, Dan Ben Hannah, Dauphine, Flame seedless, La Rochelle, Red globe, Sunred seedless, Thompson seedless, Waltham Cross.

The new planting of vineyards for table grapes, wine, juice and raisins in the area gradually declined in the last 7 years. The seedless table grape varieties are largely produced around the Orange River region in Upington area. The white varieties produced in the area are Prime, Sugraone, and Thompson seedless, while the red cultivars are the Flame and Crimson seedless varieties. However, the Western Cape farmers are also starting to plant seedless varieties.

## SOUTH AFRICA'S COMPETITIVENESS FOR DECIDUOUS FRUIT

### APPLES

In 2005, South Africa ranked 16<sup>th</sup> in the world's production of apples (778,630 MT) from about 42 countries, and 4<sup>th</sup> in the Southern Hemisphere (Six countries), FAO(2005).

The World Apple Review (2005) ranked South Africa 11<sup>th</sup> as an overall world apples supplier, 4<sup>th</sup> for production efficiency, 10<sup>th</sup> for infrastructure and inputs usage, 17<sup>th</sup> for financial & markets, from the 28 countries studied. In the same review, the comparative performance analysis placed South Africa at 8<sup>th</sup> position for total percentage change in production (+10%), 24<sup>th</sup> for relative reliability of production (1.278), 1<sup>st</sup> for percentage change for non-bearing trees (21.3%), 15<sup>th</sup> for percentage new varieties (20.3%), 9<sup>th</sup> for trees per hectare in 2003 (900 trees/Ha), and 3<sup>rd</sup> for yield per hectare between 2002-2004 (37.82 MT/Ha).

### PEARS

According to FAO reports, from the 44 countries studied, South Africa is the 9<sup>th</sup> largest producer of pears, and 2<sup>nd</sup> largest pear producer in the Southern Hemisphere (Six countries), FAO(2005).

The World Pear Review (2005) ranked South Africa 7<sup>th</sup> as an overall world pear supplier, 1<sup>st</sup> for production efficiency, 8<sup>th</sup> for infrastructure and inputs usage, 16<sup>th</sup> for financial & markets, from the 18 countries studied. In the same review, the comparative performance analysis placed South Africa at 4<sup>th</sup> position for total percentage change in production from 1995 to 1997 and 2002 to 2004 (+30%), 11<sup>th</sup> for relative reliability of production from 1994 to 2004 (1.6), 2<sup>nd</sup> for percentage change for non-bearing trees in 2004 (33%), 5<sup>th</sup> for trees per hectare in 2004 (1,091 trees/Ha), and 3<sup>rd</sup> for yield per hectare between 2002-2004 (30.35 MT/Ha).

### TABLE GRAPES

In 2005, South Africa became the 11<sup>th</sup> largest producer (from about 42 countries) of total table grapes (1.7 million MT) and 4<sup>th</sup> in the Southern Hemisphere (Six countries), FAO(2005).

## Industry Structure

The South African Table Grape Industry is currently increasing its functions to become independent industry, reducing the role of the Deciduous Fruit Industry with table grapes. SATI, comprised of the table grape growers and exporters, aims to increase its focus on exports and effective information system, as it moves away from the deregulation phase. For more information, visit: <http://satgi.co.za>

The Deciduous Fruit Producer Trust's new stakeholders are the DFPT Research, Fresh Produce Exporter's Forum, SAPO Trust (plant improvement), DPA (plant certification), Deciduous Fruit Producer's Trust (housing all ex-statutory assets and reserves) and managing training and development.

The Deciduous Fruit Producers' Trust (DFPT) is the industry's umbrella organization, established in 1997 following the restructuring of the government controlled Fruit Board. The DFPT promote, co-ordinate, facilitate, fund, and manage industry services and functions, and industry control of policy. Membership of the Trust includes the South African Apple and Pear Producers' Association (SAAPPA), South African Table Grapes industry (SATI) and the South African Stone Fruit Producers' Association (SASPA). Annual turn-over for these associations is estimated at about R4.5 billion for the Pome fruit, R3.8 billion for the table grapes, and about R0.9 billion for the stone fruit industries. For more information, visit: <http://www.dfpt.co.za>

## Research

The Agricultural Research Council (ARC) and the Deciduous Fruit Industry (DFI) formed a joint-venture company, Culdevco (Pty) Ltd, which will commercialize the ARC bred varieties. The company is expected to develop, release and market both the local and imported bred varieties, from planting materials from the South African Plant Improvement Organization (SAPO), which mainly identify, import and quarantine the rootstock.

The ARC is a leading scientific and agricultural research semi-private organization, which has for 20 years been conventionally breeding and developing apples, pears, plums, peaches, nectarines, apricots, table grapes, raisin grapes, and rootstocks for the fresh, canning and drying deciduous fruit sectors. The organization has already produced about 10 apple and pear varieties, 11 table grape and 67 stone fruit varieties.

## Production Subcategory

### CY 2007

The deciduous fruit industry expects improved quality and volumes for apples, pears, and table grapes in 2006/7 compared to last year because of the improvement in climatic conditions. Most of the production regions received normal winter weather, and spring started well with normal patterns. Apple and pear production is expected to increase significantly, and table grapes will remain fairly the same.

The table grapes harvest season started November (week 46) and will end in March (around week 13). The 2006/7 table grapes season started a week later than last year in the Northern Cape region, because of the rain that kept temperatures cooler, delaying crop maturity. About 70% of the region's white seedless grape varieties were already harvested by the end of November 2006. The Orange River expects improved quality of grapes because of good weather conditions. The Prime and Flame seedless grape varieties were the earliest. The total crop is expected to remain constant from last year.

The new season, for both apples and pears, started in October 2006 and will end by September 2007. The 'New fruit' is normally available in the local markets by mid-November to December. Depending on the harvest, both seasons may overlap around November, as is expected for this season because of last year's two weeks' delay. Also, the ability to store fruit in cold storage can allow traders to extend the availability of the previous season fruit. The volumes and quality are expected to improve to a normal crop for both apples and pears this season.

**CY 2006**

The official marketing season for both apples and pears was expected to end in week 40 (October end of September). The season was about 2 weeks late, and started with a lower intake. (OABS, July, 2006).

**CY 2005**

In MY 2004/5, most of the deciduous fruit-producing region of the Western Cape experienced drought during the growing season and flooding in mid-December that resulted in a reduced crop. Farmers experienced financial stress during this period because of lack of repayment of loans resulting from a bad crop.

South Africa, Republic of Apples, Fresh (HA)(1000 TREES)(MT)									
	2004	Revised		2005	Estimate		2006	Forecast	
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New
Market Year Begin		01/2005	01/2005		01/2006	01/2006		01/2007	01/2007
Area Planted	21500	21500	22,800	0	21500	22,850	0	0	22,900
Area Harvested	18000	18000	20,490	0	18380	18,400	0	0	19,700
Bearing Trees	16180	16180	18,441	0	17080	16,600	0	0	17,700
Non-Bearing Trees	3800	3800	2,079	0	2900	3,900	0	0	2,900
Total Trees	19980	19980	20520	0	19980	20500	0	0	20600
Commercial Production	720000	720000	778,630	0	735000	700,000	0	0	750,000
Non-Comm. Production	0	0	0	0	0	0	0	0	0
Production	720000	720000	778630	0	735000	700000	0	0	750000
Imports	0	0	0	0	0	0	0	0	0
Total Supply	720000	720000	778630	0	735000	700000	0	0	750000
Fresh Dom. Consumption	180000	180000	230,000	0	185000	190,000	0	0	210,000
Exports, Fresh	295000	295000	262,745	0	295000	223,000	0	0	250,000
For Processing	245000	245000	285,885	0	255000	287,000	0	0	290,000
Withdrawal From Market	0	0	0	0	0	0	0	0	0
Total Distribution	720000	720000	778630	0	735000	700000	0	0	750000

South Africa, Republic of Apple Juice, Concentrated (MT)									
	2005	Revised		2006	Estimate		2007	Forecast	
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New
Market Year Begin		01/2005	01/2005		01/2006	01/2006		01/2007	01/2007
Deliv. To Processors	245000	245000	285,885	0	255000	287,000	0	0	290,000
Beginning Stocks	0	0	0	0	0	0	0	0	0
Production	40000	40000	45,741	40000	40000	45,920	0	0	46,400
Imports	10000	10000	12,991	10000	10000	8,000	0	0	10,000
<b>Total Supply</b>	<b>50000</b>	<b>50000</b>	<b>58732</b>	<b>50000</b>	<b>50000</b>	<b>53920</b>	<b>0</b>	<b>0</b>	<b>56400</b>
Exports	14000	14000	10,208	15000	15000	13,900	0	0	16,000
Domestic Consumption	36000	36000	48,524	35000	35000	40,020	0	0	40,400
Ending Stocks	0	0	0	0	0	0	0	0	0
<b>Total Distribution</b>	<b>50000</b>	<b>50000</b>	<b>58732</b>	<b>50000</b>	<b>50000</b>	<b>53920</b>	<b>0</b>	<b>0</b>	<b>56400</b>

South Africa, Republic of Pears, Fresh (HA)(1000 TREES)(MT)									
	2004	Revised		2005	Estimate		2006	Forecast	
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New
Market Year Begin		01/2005	01/2005		01/2006	01/2006		01/2007	01/2007
Area Planted	14500	14500	13,000	14500	14500	12,500	0	0	12,600
Area Harvested	10150	10150	10,648	10300	10300	10300	0	0	11,000
Bearing Trees	10580	10580	11,616	10730	10730	11,237	0	0	12,000
Non-Bearing Trees	5220	5220	2,560	5070	5070	2,400	0	0	1,745
Total Trees	15800	15800	14176	15800	15800	13637	0	0	13745
Commercial Production	310140	310140	328,631	325000	325000	310,000	0	0	330,000
Non-Comm. Production	0	0	0	0	0	0	0	0	0
Production	310140	310140	328631	325000	325000	310000	0	0	330000
Imports	1	1	1	1	1	1	0	0	0
<b>Total Supply</b>	<b>310141</b>	<b>310141</b>	<b>328632</b>	<b>325001</b>	<b>325001</b>	<b>310001</b>	<b>0</b>	<b>0</b>	<b>330000</b>
Fresh Dom. Consumption	53000	53000	60,000	55000	55000	50,000	0	0	56,000
Exports, Fresh	160000	160000	143,189	170000	170000	137,000	0	0	145,000
For Processing	95000	95000	123,302	95000	95000	118,000	0	0	125,000
Withdrawal From	2141	2141	2141	5001	5001	5001	0	0	4,000

Market									
<b>Total Distribution</b>	<b>310141</b>	<b>310141</b>	<b>328632</b>	<b>325001</b>	<b>325001</b>	<b>310001</b>	<b>0</b>	<b>0</b>	<b>330000</b>

South Africa, Republic of Grapes, Table, Fresh (HA)(MT)										
	2005	Revised		2006	Estimate		2007	Forecast		UOM
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	
Market Year Begin		01/2005	01/2005		01/2006	01/2006		01/2007	01/2007	MM/YYYY
Area Planted	19000	19000	19,000	19200	19200	19200	0	0	19,500	(HA)
Area Harvested	12000	12000	12000	12500	12500	12500	0	0	13,000	(HA)
Commercial Production	330000	330000	351,483	330000	330000	330000	0	0	332,000	(MT)
Non-Comm. Production	0	0	0	0	0	0	0	0	0	(MT)
Production	330000	330000	351483	330000	330000	330000	0	0	332000	(MT)
Imports	923	923	923	1000	1000	1000	0	0	1,000	(MT)
<b>Total Supply</b>	<b>330923</b>	<b>330923</b>	<b>352406</b>	<b>331000</b>	<b>331000</b>	<b>331000</b>	<b>0</b>	<b>0</b>	<b>333000</b>	<b>(MT)</b>
Fresh Dom. Consumption	25000	25000	26,810	26000	26000	26000	0	0	25,000	(MT)
Exports, Fresh	251926	251926	229,948	255000	255000	238,500	0	0	230,000	(MT)
For Processing	53997	53997	95,648	50000	50000	66,500	0	0	78,000	(MT)
Withdrawal From Market	0	0	0	0	0	0	0	0	0	(MT)
<b>Total Distribution</b>	<b>330923</b>	<b>330923</b>	<b>352406</b>	<b>331000</b>	<b>331000</b>	<b>331000</b>	<b>0</b>	<b>0</b>	<b>333000</b>	<b>(MT)</b>

### Consumption

South Africa's MY 2006/7 local consumption of apples and pears is expected to increase by 10.5% and 12% respectively because of increased total production. However, the domestic market demand is generally lackluster mainly because of a lack of unified marketing.

In 2005, a total of about 242,630 MT of fresh deciduous fruit was sold within the 19 local fresh produce markets (16 national and 3 private), a 5% decrease from 256,751 MT of a year earlier. Of the total, 51,610 MT were fresh pears, 166,019 MT apples, and 25,000 MT table grapes.

## Consumption Subcategory

South African deciduous fruit farmers are generally supplying the local produce markets with lower fruit volumes. The fresh produce markets are also concerned about the lower fruit quality and quantity they receive for sale, as the local farmers are increasingly adopting the worldwide trend of selling directly to supermarkets. As a result, the National Agricultural Marketing Council is formulating strategic policies that may assist both role players and the local consumers. Currently, the local demand, mainly for apples and pears, is very low. The industry attributes it to the lack of vigilant marketing strategies and promotions.

The 2006's season was expected to end by week 40, as a result, the per capita information for all deciduous fruit is still not available.

South Africa's per capita consumption of apples was 5.5 kg in 2005. Pear and table grapes information is still not available.

South Africa's per capita consumption of deciduous fruit in 2004 was as follows: 1.20 kg for pears, 0.55 kg for table grapes, and 5.64 kg for apples. South African consumers prefer fresh fruit to processed fruit products.

## Trade

The deciduous fruit industry is export-oriented, with major exporting countries being the UK (35%), Central Europe (40%), Asia and the Far East (11%), the US (4%), the Middle East and Mediterranean (6%), and the rest to Africa (4%).

## Trade Subcategory

### EXPORTS-APPLES

The 2005/6 export volumes were about 15% lower than the previous year. South Africa's MY 2006/07 exports of apples are expected to reach about 250,000 MT, a 12% increase from the previous year.

In 2005, apple exports decreased by 14% to reach 262,745 MT valued at US \$ 156 million. Major export destinations were the United Kingdom (39%), Netherlands (9.2%), Malaysia (7.6%), and Belgium (5.5%).

South Africa, Republic of Apples, Fresh			
	Jan-Dec	Units: MT	Jan-Dec
Exports for:	2005		2006*
U.S.	111	U.S.	2,300
Others			
U.K.	102,745	U.K.	93,600
Netherlands	24,150	Europe	44,600
Malaysia	19,989	Africa	20,100
Belgium	14,557	Middle East/Mediterranean	17,800
France	8,991	Far East & Asia	35,600
U.A.Emirates	7,370	Indian Ocean Island	6,700

Singapore	6,305	Russia	2,300
Benin	6,198		
Angola	5,551		
Mauritius	5,242		
Total Listed	201098	Total Listed	220,700
Total Unlisted	61,536	<b>Total Unlisted</b>	<b>0</b>
<b>Grand Total</b>	<b>262745</b>	<b>Grand Total</b>	<b>223,000</b>

Source: WTA, Post Estimates

Exports to the U.S. decreased significantly in 2005 because of a smaller crop and increased shipping costs resulting from a stronger Rand.

South Africa's special exports to the United States					
Organic Table Grapes		Pears		Apples	
2005	2006	2005	2006	2005	2006
Jan - Feb	Mar - Apr	May - Jul	Mar - Jul	Jun - Jul	No records
<b>79.2 MT</b>	<b>259.5 MT</b>	<b>272.7 MT</b>	<b>384.3 MT</b>	<b>8.4 MT</b>	

Source: APHIS in South Africa

### IMPORTS-APPLES

South Africa did not import fresh apples in 2005. In 2004, 2.3 MT of fresh apples were imported from Angola in 2004 and 6.7 MT was imported from the United States in 2003. No imports were made from the U.S. in the last two years.

Access for U.S. apples:

Representatives of South Africa's Department of Agriculture visited U.S. apple orchards in the Pacific Northwest in September 2006. They are now studying the issue of access to South Africa for U.S. apples and are in the process of finalizing a protocol. We expect that in 2007 South Africa will give USDA/APHIS a protocol for exporting U.S. apples to South Africa.

### EXPORTS& IMPORTS-APPLE JUICE

South Africa's Concentrated Apple Juice (CAJ) exports reached 10,208 MT in 2005, a 29% decrease compared to the same period last year. Apple juice exports to the U.S. decreased by 79% to reach about 1,148 MT. CAJ imports increased significantly from last year to reach 12,991 MT. The main supplier of apple juice concentrate to South Africa was China with 10,645 MT.

NB: CAJ referred to in this report is HTS 200979.

### Exports of Fresh Pears

The 2005/6 season ended around week 40, with export volumes about 4.3% lower than the previous year. The 2007 exports are still expected to return to normal with an increase of about 6%.

In 2005, South Africa exported 143,189 MT of fresh pears valued at about \$ 89.184 million, about 4,353 MT higher than same period in 2004. Major export destinations remained the

Netherlands (21.8%), United Kingdom (21%), Belgium (16.6%), and France (5.9%). Exports to the U.S., which ranked 25<sup>th</sup> within South Africa's largest fresh pears export destinations, decreased significantly by about 65% from last year to reach 341 MT.

South Africa, Republic of Pears, Fresh			
Time Period	Jan-Dec	Units: MT	Jan-Dec
Exports for:	2005		2006*
U.S.	341	U.S.	4,100
Others			
Netherlands	31,273	Europe	70,500
United Kingdom	30,003	U.K.	31,200
Belgium	23,766	Far East & Asia	12,200
France	8,518	Russia	6,800
Germany	8,324	Middle East / Mediterranean	6,800
Malaysia	5,592	Indian Ocean Islands	4,000
Russia	4,356	Africa	1,400
Canada	3,740		
Italy	3,417		
Singapore	3,169		
Total Listed	122,158	Total Listed	132,900
Total Unlisted	20,690	Total Unlisted	0
Grand Total	143,189	Grand Total	137,000

Source: WTA, \* Post Estimates

### IMPORTS-FRESH PEARS

No imports of fresh pears were made in 2005.

### EXPORTS - TABLE GRAPES

In 2006/7, producers are exporting lower for table grapes and increasing the processing of raisins, juice, and using a small quantity for wine. This decision is because of last year's losses resulting from the global glut of fresh fruit. Exports of fresh table grapes are expected to decrease by about 4% from last year.

At the beginning of the 2006/7 marketing season, growers in the Northern Province became the first in the country to pack the earliest table grapes for export. Total exports in this region are expected around 18,000 MT.

Early table grapes from South Africa's Northern Province and Orange River areas compete with Brazilian fruit in both the European and the U.K. markets, while late varieties from the Berg and Hex valley regions reaches the U.K. markets the same time as the Chilean grapes.

In 2006, South Africa's seedless table grapes gained strength in the Britain markets, for both the red and white varieties. The Britain's market segments are the highest paying market for seedless grape varieties. About 85% of the grapes were exported to Europe and the U.K.

The table below shows weighted average delivered in Port (DIP) prices:

Delivered in Port Averages	2003/04	2004/05	2005/06
US \$/MT	1,400	1,210	950*

Source: OABS

\*= The price audit is incomplete because the 2005/06 is not yet over.

South Africa, Republic of Grapes, Table, Fresh			
Time Period	Jan-Dec	Jan - Dec	MT
Exports for:	2005		2006*
U.S.	1,185	U.S.	4,770
Others			
Netherlands	80,262	Continental Europe	140,715
U.K.	57,573	U.K.	59,625
Belgium	32,263	Far East	7,155
Germany	13,500	Middle East	7,155
Hong Kong	6,888	Asia	4,770
U.A.Emirates	3,815	Russia	2,500
Russia	3,451	Indian Ocean Island	2,385
Canada	3,369	Africa	2,385
Portugal	3,039		
France	2,824		
<b>Total listed</b>	<b>206,984</b>	<b>Total listed</b>	<b>226,575</b>
<b>Total unlisted</b>	<b>21,779</b>	<b>Total Unlisted</b>	<b>7,155</b>
<b>Grand Total</b>	<b>229,948</b>	<b>Grand Total</b>	<b>238,500</b>

Source: WTA, \*SATI & OABS Estimates

Lower prices in 2004/5 impacted farmers around the Orange River areas negatively because production costs in that region are higher than other areas due to its remote location.

South Africa, Republic of Grapes, Table, Fresh			
Time Period	Jan-Dec	Units: MT	Jan-Dec
Imports for:	2004		2005
U.S.	0	U.S.	0
Others		Others	
Spain	359	Spain	595
Egypt	117	Egypt	158
Israel	33	Israel	87
France	18	France	83
Total for Others	527		923
Others not Listed	0		0
<b>Grand Total</b>	<b>527</b>		<b>923</b>

## Policy

The updated (October, 2006) industry restrictions on the use of plant protection products on local and export deciduous fruit for 2006/7 can be accessed at: <http://www.dfpt.co.za>

The restrictions are the industry guide to ensure compliance with maximum chemical residue tolerances in South Africa's deciduous fruit export destination countries, and in the local markets.

Restrictions are reviewed and amended annually, according to Act 36 of 1947 and good agricultural practice (GAP), and are derived in association with the local and export regulatory bodies, primary export markets and agrochemical companies.

The copy of the AgriBEE draft policy can be downloaded at: <Http://www.nda.agric.za>

Fruit South Africa has recently released a revised Fruit Industry Plan that recommend a long-term strategy for the fruit industry encompassing all current government regulations, and can be accessed at : <Http://www.fip.co.za>

Other regulations, GAP and HACCP, can be accessed at : [www.deciduous.co.za](http://www.deciduous.co.za)  
And at : [www.nda.agric.za](http://www.nda.agric.za)

## Policy Subcategory

South Africa and China are making progress with their bilateral agreement on trade issues. The deciduous fruit industry expects to increase its trading significantly, following the setting of certification and SPS protocols. China also expects to export its apples from November to January annually. Currently, only two Chinese areas are certified to export to South Africa, namely Shanxi, which is inland (good quality fruit), and Shadong, which is situated along the coast (lower quality fruit). Only one port is certified, namely, Qingdao, where quality and phytosanitary inspections are also conducted. The receiving ports in South Africa are Durban and Cape Town.

Other increasing new markets are India, Sri Lanka. Japan is also currently the strongest potential market.

## Marketing

The marketing season starts with higher prices, which decreases towards the peak period, before increasing again by the end of the season. The regions producing early varieties, Northern Province and Orange River areas, are therefore more likely to be more profitable compared to others.

For more information, visit: <http://satgi.co.za>

## Marketing Subcategory

South Africa's gross income for the deciduous and other related fruit increased 8.4% to reach US \$0.72 million for a period from October 2005 to September 2006. Net export realization reached US\$ 575.40/MT for apples, US\$ 603.58 for pears, and U.S.\$ 852.25/MT in 2004/5 (DoA).

Average local prices for fresh deciduous fruit at South Africa's 19 major fresh produce markets countrywide are indicated in the tables below.

South Africa, Republic of Apples, Fresh Prices in US Dollars per MT			
Year	2005	2006 (US \$)	% Change
Jan	493.17	632.57	28.27
Feb	448.41	514.14	14.66
Mar	386.98	402.71	4.06
Apr	378.73	353.43	-7.0
May	395.08	360.86	-8.66
Jun	413.65	370.00	-10.55
Jul	425.87	399.86	-6.11
Aug	448.57	422.57	-5.80
Sep	490.16	417.86	-14.75
Oct	530.95	Not Available	
Nov	574.92		
Dec	625.40		
Exchange Rate Ave	\$1=R6.30	\$1=R7.00	
Date of Quote	Jan-Dec	MM/DD/YYYY	Jan-Dec

Source: National Department of Agriculture

South Africa, Republic of Pears, Fresh Prices in US Dollars per MT			
Year	2005	2006 (US \$)	% Change
Jan	315.24	326.43	+3.50
Feb	304.29	304.00	-0.1
Mar	330.64	321.29	-2.83
Apr	368.57	326.43	-11.43
May	404.29	346.86	-14.21
Jun	406.35	367.43	-9.58
Jul	398.57	410.00	+2.87
Aug	443.17	460.86	+3.99
Sep	464.76	452.29	-2.68
Oct	500.16	Not Available	
Nov	562.22		
Dec	597.62		
Exchange Rate	\$1 = R6.30	\$1 = R7.00	
Date of Quote	Jan-Dec	Jan -Dec	

Source: National Department of Agriculture

## TARIFFS

South Africa's 2006 import tariffs for deciduous fruit per commodity are specified in the table below:

Import Tariffs		
COMMODITY	HTS CODE	AD VALOREM
Table grapes	080610	5%/kg
Fresh Apples	080810	5%/kg
Fresh Pears	080820	5%/kg

Source: Jacobsen Book of Tariffs

#### DEFINITIONS OF TERMS USED IN THE REPORT

MY = marketing year

CY = Calendar year

DoA = National Department of Agriculture